

## Why the new interest in Max Weber's "The Protestant Ethic and the Spirit of Capitalism" in Southeast Asia today?

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Recent experiences in China and Indonesia provoked the question of my title. Two years ago, a delegation of Chinese governmental Representatives for Religious Affairs (officially still Marxists) visited Switzerland to study the role of religion for society. When I explained in my speech the relevance of Christian economic ethics, based on Calvin's ethics, they found it very new for them and showed profound interest in my point, that Calvin did not invent exploitative capitalism but defended the interests of the weak and the poor in his concept of socially responsible economy.

Last year on my way back from China as visiting lecturer I saw Max Weber's book "The Protestant Ethic and the Spirit of Capitalism" in English and Chinese in a prominent place in the airport bookshop. I found the same in Indonesian language in the airport bookshop in Jakarta this year on my way to Duta Wacana Christian University in Yogyakarta where I was asked to give lectures on "The role of Christianity and Islam on the development of Capitalism, with a special view on Calvin the Reformer".

I can't give a comprehensive answer but I will try to sharpen the question and contribute few pieces of a possible answer.

### 1. Is there really a new interest in "Calvinism and Capitalism"?

Let's test this question with the support of the google search-machine (which gives not more than some indications). I counted the number of references for the combination of keywords in six countries, such as "Max Weber (and) John Calvin (in) China":

*Read: [www.google.de](http://www.google.de), search "John Calvin China": 120'000 references. "John Calvin Indonesia": 18'100 references*

	China	Indonesia	South Korea	India	South Africa	Chile	Kenya
John Calvin	*120000	18'100	30'700	86'000	80'400	20'200	17'000
Max Weber	137'000	53'900	57'900	105'000	76'600	90'300	11'300
Max Weber John Calvin	4'240	1690	1490	3110	3860	736	922
John Calvin Capitalism	7950	3330	4090	6670	6920	3280	2880
John Calvin Capitalism 21 century	2990	647	817	2510	2800	609	398
John Calvin Predestination	971	448	534	1870	975	115	265

\* Much less if we exclude e.g. John Calvin Jones China

The table shows a relatively great interest in Calvin the Reformer, but more in Max Weber, in the main countries in Southeast and South Asia. The interest also exists in economically growing or

transition economies such as South Africa, much less in other developing countries such as Kenya. Of course: google statistics reflect also the number of academic people and of people working with internet in a country. The figures also obviously show the greater interest in Calvin's economic message than in his theological foundation (see "Calvin predestination").

An other indicator of the growing interest in Max Weber's view on Calvinism are new publications. Since the late seventies/early eighties a growing number of translations of Max Weber and John Calvin have been published in Southeast Asia, especially in China. Not only the Chinese edition of Weber's *"Protestant Ethic and the Spirit of Capitalism"*, but also his famous book *"The Religion of China. Confucianism and Taoism"* plays a role.<sup>1</sup> Secondary publications analyse the role of Protestantism and Confucianism in today's China<sup>2</sup>. Calvin himself and his books are much less known and translated<sup>3</sup>, but I do not yet have a good overview of it. Rachel Xiaohong Zhu, Lecturer at the Religious Studies Program, Department of Philosophy of Fudan University in Shanghai, confirmed to me: "Most of Weber's writings has been translated into Chinese. There are a lot of research papers on Weber too. But Calvin's theology is not a popular topic for scholars in Universities or other academic institutes."

Some first conclusions:

- there is a great interest in "Capitalism and Calvinism" especially in Southeast Asia, shown in statistics and publications.
- There is a growing interest in the relation between economy, religions and culture.

## 2. Why this growing interest?

Some of the factors are common in the different countries, others are specific. I see three main reasons for the growing interest:

### 2.1 The political and economic orientation

The geopolitical changes in 1989 with the collapse of the Sowjet Communism, with globalisation and its integration of almost all economies in the neo-liberal type of market economy and with the fast economic growth of the "Tigers" in Southeast Asia, provoked the necessity to redefine capitalism and to reorient former attitudes towards capitalism. In China, a kind of reconciliation between Chinese socialism and Western capitalism became reality, in India the shift from economic protectionism to economic liberalisation led to ideological confrontations.

Aiming Wang, Vice-Dean of the famous Nanjing Union Theological Seminary in Nanjing/China, answered in an e-mail to my question, why Weber finds more interest in China today: "The Chinese scholars started 16 years ago in Beijing University a very serious debate about the Weberian judgement of Capitalism and Calvin by articles and publications. The reputation of the rational and modern Capitalism with the inner spirit of the Protestantism has been formed by the publications of Weber in China since 1986. Calvin had a very bad image in China." Calvin as religion as such was seen as opposite to Chinese socialism which then changed since 1979.<sup>4</sup> By the studies of Weber, the signification of Jean Calvin has been introduced to the Chinese intellectuals' minds, especially those open for modernisation of the Chinese economy.

<sup>1</sup> Weber, Max, *The Protestant Ethic and the Spirit of Capitalism*, London, Routledge, 1992; *Protestant Ethic and the Spirit of Capitalism*, written by Max Weber [German], translated by Yu Xiao, et. al., Sanlian Bookstore, 1978; (1951), *The Religion of China. Confucianism and Taoism*. (Partial translation of 1920a by Hans H. Gerth) Glencoe, Illinois: The Free Press.

<sup>2</sup> E.g. Tu Wei-ming: "Confucian Ethics and the Entrepreneurial Spirit in East Asia." in idem, *Confucian Ethics Today. The Singapore Challenge*. Singapore: Federal Publications, 1984; Fiedler, Karin: *Wirtschaftsethik in China am Fallbeispiel von Shanghai Protestanten zwischen Marx und Mammon*. Hamburg 2000.

<sup>3</sup> Calvin (*Yiwen Series on the World*), written by Michael Mullett [British], translated by Lin Xueyi, Shanghai Yiwen Press, January 2001.

<sup>4</sup> K.H. Ting: *Love Never Ends*, Nanjing 2000, 295-304 (Foreword to "Religion under Socialism in China")

Max Weber was trying to explain the rise of capitalism by identifying the Protestant ethic as the variable that had an “elective affinity” with the emergence of capitalism. Santoro in his book on Capitalism and Human Rights in China uses Weber’s methodology to describe, that modern multinational corporations have an “elective affinity” to human rights and “do have a positive human rights spin-off effect”, because they contribute to economic prosperity which strengthens democracy and human rights.<sup>5</sup> This position is questionable because it defends the wrong trickle down theory, saying that economic growth per se contributes to more prosperity for all and the better respect of human rights. Empirical studies show that reality is much more complex: Multinational companies strengthen human rights in some situations and some of the rights and weaken or violate them in other situations.

## 2.2 Values: Calvinism, Confucianism, Islam, Asian Values

The interest in Max Weber and Calvinism is not only linked to the shift from socialism to capitalism in many countries, but also to the broad debate on religious values and their influence on the economy. In China, the revival of Confucianism (as well as Buddhism), in Indonesia the conflict between Muslim and Christian communities and in India the political power of Hindu fundamentalists brought the debate on the religious foundations of economic development back to the floor.

Max Weber emphasized 80 years ago the relationship between the “Confucian rationalism” and the “Rationalism of Protestantism” and saw parallel virtues and values in Confucianism and Puritanism which today are again discussed in China.<sup>6</sup> The Swiss catholic theologian Hans Küng wrote in his book on „Christianity and the Chinese Religion“ in the late eighties: “Allmählich merken auch westliche Geschäftsleute, dass es konfuzianischer Geist war, der hinter dem ostasiatischen Wirtschaftswachstum stand.”<sup>7</sup> (“even business people now recognize that it was the Confucian spirit which enabled the economic growth in East Asia”). Küng adds: „Wunsch, konfuzianische Werte zu stärken“ heisse „nicht, dass man sich davon eine schnellere Modernisierung verspricht, vielmehr erhofft man ein Korrektiv für gewisse Begleiterscheinungen der Modernisierung, wie sie zum Beispiel ein extremer Individualismus oder moralische Permissivität darstellen.“<sup>8</sup> (...) The debate on Weber and Calvinism in China can therefore not be separated from the debate on the contribution of Confucianism to modern economy and its ethical correction by moral limits and norms.

In order to avoid dependency from western values, the debate on Asian values in the mid nineties became important.<sup>9</sup> It included directly and indirectly a critique of western values saying that economic success is not only and not primarily based on western (Calvinist) values but on home-made Asian values. But with the financial crash and crisis in Southeast Asia in the late nineties the defender of Asian values became more quiet and defensive because the question came up why these values could not avoid the painful crash.

During that crises it was easier to look for another scapegoat for this economic crises. That might be one of the reasons for the debate on Max Weber and Calvinism in Indonesia. Muslims tried to blame Christians, especially Chinese Christians in Indonesia to be responsible for the crises. This shows the ambiguity: on one hand Max Weber’s view of Calvinism seemed to explain the success of modern western economy and its work-ethic which provoked jealousy of non Christian and non western communities. On the other hand Protestantism/ Calvinism was made responsible not only

<sup>5</sup> Michael A. Santoro: Profits and Principles. Global Capitalism and Human Rights in China, Ithaka/London 2000, 42f.

<sup>6</sup> Max Weber: Die Wirtschaftsethik der Weltreligionen: Konfuzianismus und Taoismus. Schriften 1915-1920, Tübingen 1991, 193-208.

<sup>7</sup> Hans Küng/Julia Ching: Christentum und Chinesische Religion, München/Zürich 1988, 113 (112-117 über Konfuzianismus).

<sup>8</sup> Idem, 113.

<sup>9</sup> WM.Theodore de Bary: Asian Values and Human Rights. A Confucian Communitarian Perspective, Cambridge/London 1998

for the success but also for the failures and new poverty in Indonesia. Underground –that’s my suspicion after various dialogues with Indonesian scholars – the debate on Max Weber and Calvinism in Indonesia is a debate among Christian confessions (Protestants – Catholics) as well as between Christian and Muslim economic ethics. Muslim scholars in Indonesia publish more and more studies on Muslim business ethics and other themes of economic ethics such as work ethics.<sup>10</sup>

### **2.3 Looking for cultural factors of economic growth**

I asked my colleague Yahya Wijaya, professor of ethics at the Duta Wacana Christian University in Yogyakarta on Java in Indonesia (who wrote his doctoral thesis on business ethics in Indonesia<sup>11</sup>), about the reasons for the growing interest for Weber in Indonesia. He answered by e-mail: “I think there is a growing awareness of the role of culture in shaping the economy. Here in Indonesia, talks on ‘work ethic’ seem to be more common. It may be related to attempts to recover the Indonesian economy after the crisis, attempts which seem to face so many obstacles. Many firms are relocated to other countries, partly for security reasons, partly for economic ones. They go there where they find more productive societies probably due to higher work ethic. The issue is also discussed in relation to the rise of China as a new superpower. Weber is often referred to quite often critically.”

That summarises the reasons for the growing interest in Weber and Calvinism in transition economies in Southeast and South Asia. Economic development cannot be understood and explained purely by economic and political analysis. Religious and cultural factors have to be included and respected.

## **3. Challenges for the impact of Calvin’s economic ethics**

### **3.1 To participate actively in the debate in order to correct instrumentalisation**

This positive chance to include religious factors of economic development is at the same time a great challenge. The use and abuse of Calvin through the eye of a popular reading of Max Weber shows the danger to instrumentalize religion in order to accuse or excuse certain developments. Scientific honesty requires that theologians and those knowing Calvin’s teaching are more present in these debates among economists, politicians and sociologists. In many countries there are not enough well trained theologians who can raise a qualified voice.

### **3.2 To motivate to read Calvin and not only Max Weber on Calvinism**

Yahya Wijaya from Yogyakarta confesses: “There is little attention to Calvin, even among Indonesian ‘Calvinists’.” We can overcome unfair instrumentalisation only by going back to the roots and sources. Calvin himself must be read instead of reading “only” Max Weber. Too many people believe that Max Weber describes Calvin’s thoughts. In fact he only describes a specific form of Puritanism (the one of Baxter) which is in many aspects very different or even opposite to Calvin’s teaching! Puritanism wanted to work hard for the glory of God, Calvin’s work ethic emphasised that work helps not to depend on others, to live in dignity and to help the needy. Similar differences can be shown related to the use of time, the understanding of wealth and luxury, the division of labor, the attitude towards sexuality and ascetic life style etc.

In addition, we need a clearer analysis of the different forms of capitalism. The commercial capitalism, the industrial capitalism and today’s information capitalism are different. The one at the time of Calvin, of Puritanism, of Max Weber and today have to be reflected and Calvin has to be translated in our time and economic context.

<sup>10</sup> Buchari Alma: *Dasar-Dasar Etika Bisnis Islami*, Bandung/Indonesia 2003; Qadir: *Religion and Ethics of Trade*, Yogyakarta,

<sup>11</sup> Yahya Wijaya: *Business, Family and Religion: Public Theology in the Context of the Chinese-Indonesian Business Community*, Peter Lang, Oxford/Bern 2002.

### 3.3 To support good scientific translations

Aiming Wang from Nanjing wrote to me: “The Chinese edition of Max Weber’s book on Calvinism and Capitalism was translated from Parsons’ version in English. That is not a very serious version. I’ve compared it with the French version and through my professor in Neuchâtel with the original German version of Weber himself which shows serious differences.” This shows the importance of good scientific translations not only of Max Weber, but also of Calvin. I therefore highly appreciate the scientific translation of André Biéler in English! I do not have an overview of Calvin’s books in Chinese, Indonesian, Korean, Tamil, Thai or Suaheli but it’s worth to examine it’s quality.

### 3.4 To resist mono-causal explanations

Instrumentalisation happens in order to achieve a specific political or economic goal. For this goal, the complexity of reality is often reduced to mono-causal explanations. Scientific honesty requires to resist these temptation and to analyse the multi-causal roots of economic developments. That leads to acknowledge the influence, but also the limits of influence of Calvin on economic developments. Only if we analyse each country, even the different regions, sectors and classes in a country, one can see the complexity of factors. The Indian journalist Fareed Zakaria in Pakistan expressed this two days ago in a very interesting article which summarises this challenge<sup>12</sup>:

“A century ago, when East Asia seemed immutably poor, many scholars (most famously German sociologist Max Weber) argued that Confucian-based cultures discouraged all the attributes necessary for success in capitalism. A decade ago, when East Asia was booming, scholars turned this explanation on its head, arguing that Confucianism actually emphasized the essential traits for economic dynamism. Then the wheel turned again, and many came to see in Asian values all the ingredients of crony capitalism. Lee Kuan Yew was compelled to admit that Confucian culture had bad traits as well, among them a tendency toward nepotism and favoritism. But surely recent revelations about some of the United States’ largest corporations have shown that US culture has its own brand of crony capitalism.

Weber linked northern Europe’s economic success to its Protestant ethic and predicted that the Catholic south would stay poor. In fact, Italy and France have grown faster than Protestant Europe over the last half century. One may use the stereotype of shifty Latins and a mañana work ethic to explain the poor performance of some countries in the Southern Hemisphere, but then how does one explain Chile? Its economy is performing nearly as well as the strongest of the Asian tigers. Indeed, Chile’s success is often attributed to another set of Latin values: strong families, religious values, and determination.

The truth is that there is no simple answer to why certain societies succeed at certain times. When a society does prosper, its success often seems inevitable in retrospect. So the instinct is to examine successful societies and search within their cultures for the seeds of success. Cultures are complex; one finds in them what one wants. If one wants to find cultural traits of hard work and thrift within East Asia, they are there. If one wants to find a tendency toward blind obedience and nepotism, these too exist. Look hard enough and most cultures exhibit these traits. One would think that the experience with the Asian values debate would have undercut these kinds of cultural arguments. Yet having discarded this one, many have moved on to another. Now it is Islam’s turn, but as a culture of evil.”

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<sup>12</sup> Fareed Zakaria: Asian values - engine of economic growth? Daily Times (Pakistan), 2 November 2004, frontpage.

## Asian values - engine of economic growth?

Daily Times (Pakistan) 2 November 2004.

By Fareed Zakaria

About a decade ago, East Asia was hot and so were "Asian values." In explaining East Asia's extraordinary economic development—what the World Bank termed a "miracle"—many believed that culture played a pivotal role. After all, so many Third World countries had tried to climb their way out of poverty, and only those of East Asia had fully succeeded. Singapore's brilliant patriarch Lee Kuan Yew became a world-class pundit, explaining how the unique culture of Confucianism permeated Asian societies. Many scholars agreed, perhaps none more forcefully than Joel Kotkin, who in his fascinating 1993 book, *Tribes*, essentially argued that if you want to succeed economically in the modern world, be Jewish, be Indian, but above all, be Chinese.

I have to confess that I found this theory appealing at first, since I am of Indian origin. But then I wondered, if being Indian is a key to economic success, what explained the dismal performance of the Indian economy over the four decades since its independence in 1947 or, for that matter, for hundreds of years before that? One might ask the same question of China, another country with an economy that performed miserably for hundreds of years until two decades ago. After all, if all you need are the Chinese, China has had hundreds of millions of them for centuries. As for Jews, they have thrived in many places, but the one country where they compose a majority, Israel, was also an economic mess until only recently. All three countries' economic fortunes improved markedly in the last three decades. But this turnaround did not occur because they got themselves new cultures. Rather, their governments changed specific policies and created more market-friendly systems. Today, China is growing faster than India, but that has more to do with the pace of China's economic reform than with the superiority of the Confucian ethic over the Hindu mind-set.

It is odd that Lee Kuan Yew is such a fierce proponent of cultural arguments. Singapore is not so culturally different from its neighbor, Malaysia. Singapore is more Chinese and less Malaysian, but compared with the rest of the world, the two are quite similar societies. But more so than its neighbors, Singapore has had an effective government that has pursued wise economic policies. It's not Confucius but Lee Kuan Yew that explains Singapore's success. The simplest proof is that, as Malaysia has copied the Singaporean model, it has also succeeded economically.

The discussion about Asian values was not simply a scholarly debate. Many Asian dictators used arguments about their region's unique culture to stop Western politicians from pushing them to democratize. The standard rebuttal was that Asians prefer order to the messy chaos of democracy. But East Asia's recent political history makes a powerful case for the universality of the democratic model—if it is done right. Unlike other Third World countries, many in the region liberalized their economies first and then democratized their politics, thereby mirroring the sequence that took place in 19th-century Europe. The result has been the creation of remarkably stable democratic systems in Taiwan and South Korea, with more mixed but still impressive results in Thailand and Malaysia.

The point is not that culture is unimportant. On the contrary, it matters greatly. Culture represents the historical experience of a people, is embedded in their institutions, and shapes their attitudes and expectations about the world. But culture can change. German culture in 1939 was much different from what it became in 1959, just 20 years later. Europe, once the heartland of hypernationalism, is now post-nationalist; its states are willing to cede power to supranational bodies in ways Americans can hardly imagine. The United States was once an isolationist republic with a deep suspicion of standing armies. Today, it is a world hegemon with garrisons around the world. The Chinese were once backward peasants. Now they are smart merchants. Economic crises, war, political leadership—all these circumstances change culture.

A century ago, when East Asia seemed immutably poor, many scholars (most famously German sociologist Max Weber) argued that Confucian-based cultures discouraged all the attributes necessary for success in capitalism. A decade ago, when East Asia was booming, scholars turned this explanation on its head, arguing that Confucianism actually emphasized the essential traits for economic dynamism. Then the wheel turned again, and many came to see in Asian values all the ingredients of crony capitalism. Lee Kuan Yew was compelled to admit that Confucian culture had bad traits as well, among them a tendency toward nepotism and favoritism. But surely recent revelations about some of the United States' largest corporations have shown that US culture has its own brand of crony capitalism.

Weber linked northern Europe's economic success to its Protestant ethic and predicted that the Catholic south would stay poor. In fact, Italy and France have grown faster than Protestant Europe over the last half century. One may use the stereotype of shifty Latins and a mañana work ethic to explain the poor performance of some countries in the Southern Hemisphere, but then how does one explain Chile? Its economy is performing nearly as well as the strongest of the Asian tigers. Indeed, Chile's success is often attributed to another set of Latin values: strong families, religious values, and determination.

The truth is that there is no simple answer to why certain societies succeed at certain times. When a society does prosper, its success often seems inevitable in retrospect. So the instinct is to examine successful societies and search within their cultures for the seeds of success. Cultures are complex; one finds in them what one wants. If one wants to find cultural traits of hard work and thrift within East Asia, they are there. If one wants to find a tendency toward blind obedience and nepotism, these too exist. Look hard enough and most cultures exhibit these traits.

One would think that the experience with the Asian values debate would have undercut these kinds of cultural arguments. Yet having discarded this one, many have moved on to another. Now it is Islam's turn, but this time as a culture of evil. Rather than faulting bad leadership, politics, and policies in Muslim countries, many in the West—including British historian Paul Johnson, Italian journalist Oriana Fallaci, and US evangelical leader Pat Robertson—have found it more comforting to fall back on grand generalizations about Islam. They will find that the one group of people who most strongly agrees with them are the Islamic fundamentalists who also believe that Islam's true nature is incompatible with the West, modernity, and democracy. But history will disprove this new version of the culture theory as it has the last. —Foreign Policy

*Fareed Zakaria is the editor of Newsweek International and author of the forthcoming book The Future of Freedom: Illiberal Democracy at Home and Abroad*